

Congressional lawmakers got closer to getting out of town until inauguration today and have still been unable to agree on a plan to bail out the nation's auto industry.

Orange County's House lawmakers are so far uniformly against bailing out the Big Three automakers, except for **Rep. John Campbell**, a former car dealer, who has taken himself out of this debate. At the same time the state's senators differ on what should be done.

Over the past two days the CEOs of the car companies were grilled by Senate and House committees. And a debate has raged over whether General Motors should declare bankruptcy and reinvent itself.

"I think if the auto companies file under Chapter 11 they then would be able to continue producing cars and their workforce would remain employed while the firms reorganized," said Rep. Ed Royce. Asked whether people would be willing to buy cars from firms in bankruptcy, Royce, R-Fullerton, said yes.

"The public still fly on airlines even though the airlines are in bankruptcy, with the exception of the CEOs of the Big Three who flew their private planes out here."

California's senators view the automakers' crisis differently. Sen. Barbara Boxer says you can't let the industry die. Sen. Dianne Feinstein fears the problems may be so severe the companies cannot survive.

A bipartisan group of senators has been working on a last-ditch effort to see if lawmakers will agree to loan the automakers \$25 billion from an energy appropriation already made, but one that says the money must be used to develop fuel-efficient cars. These senators would cut those strings and let the car companies use the money to get through the next few months.

Majority Leader Harry Reid didn't sound optimistic that a deal could be struck.

"We have to face reality," Reid said on the Senate floor. "The House of Representatives is going home tomorrow," he said, and there have been no hearings and no close vetting of this proposal that isn't yet in legislative language.

Rep. Ken Calvert, R-Corona, said leaving town without doing anything may be what the car companies need to have happen so they will take responsibility for fixing the mess they're in.

"After this week is over," and it's obvious Congress isn't doing anything, Calvert said, "they're

going to have to take a serious look at Chapter 11.”

Boxer is worried about nothing getting done.

“I think it would be irresponsible for us at this terrible time to let this industry die,” said Boxer, D-Calif. “Unlike other companies that could go bankrupt and come back, this is an industry that sells a very important product to people where they’ll need parts over the years.” Boxer said she’s been told that if an auto company declares bankruptcy, people won’t buy those cars because they can’t be assured of getting parts and services over the years.

Boxer said she would support an additional \$25 billion for the so-called bridge loan but as chair of the Environmental and Public Works Committee, she doesn’t want to see the big three auto companies get that money without the strings that would require them to build more fuel efficient cars.

And Boxer also wants to see any auto industry bailout tied to approval of the energy waiver California has been asking for the past two years. The waiver, which the Bush administration has denied, would allow the state to put in place a key component of the global warming law – increasing fuel standards for vehicles.

“We’ve got to push them into the 21st Century,” Boxer said of the automakers.

But Feinstein is concerned that the companies just cannot reinvent themselves in the way that will make them profitable.

“I think the auto industry has to find a way to reorganize and reconstitute itself or it’s not going to be sustained in the United States,” said Feinstein, D-Calif. “And it’s very difficult because it has heavy encumbrances,” she said, such as labor and pension agreements. “I don’t know what they’re going to do to break this impasse of the huge weight they have on their shoulders. When I read the public statements of the CEOs, I never see any of that.”

Although Campbell won't weigh in on what Congress should do, he did attend the Financial Services Committee meeting Wednesday and questioned the CEOs.

Campbell said the auto companies can be successful.

"GM is still the second largest automaker on earth," said Campbell, who has owned GM and Ford dealership. "You would think that a company with its kind of market success could make money."

Campbell believes the automakers need a "cultural change." They need to be less like the giant know-it-all company and more like "we're a scrappy company trying to make it."